

GSTR-10: Final Return Filing for Canceled GST Registration

When a taxpayer's GST registration is canceled or surrendered, they are required to file GSTR-10, also known as the Final Return. This return ensures that all pending tax liabilities, including stock in hand, are accounted for before the business is officially deregistered.

In this blog, we will cover what GSTR-10 is, who needs to file it, the due date, step-by-step filing process, penalties, and common mistakes to avoid.

What is GSTR-10?

GSTR-10 is a one-time final GST return that must be filed by a taxpayer whose GST registration has been canceled or surrendered. It is different from regular GST returns (like GSTR-1 or GSTR-3B) because it is filed only once when the business closes or deregisters from GST.

✦ **Purpose:** To declare any remaining stock and pay any tax liabilities before exiting the GST system.

Who Needs to File GSTR-10?

- ✓ Businesses whose GST registration is canceled (voluntarily or by authorities).
- ✓ Taxpayers who have surrendered their GST registration.
- ✓ Normal taxpayers registered under GST (not composition dealers or input service distributors).

⊖ **Who is Exempt from Filing GSTR-10?**

- ✗ Composition taxpayers.
- ✗ Non-resident taxable persons (NRTP).
- ✗ Input service distributors (ISD).
- ✗ Tax deductors under TDS/TCS under GST.

Due Date for Filing GSTR-10

📅 GSTR-10 must be filed within 3 months from the date of GST registration cancellation or the date of cancellation order, whichever is later.

● **Example:** If a GST registration was canceled on January 1, 2024, GSTR-10 must be filed by April 1, 2024.

Step-by-Step Process to File GSTR-10

Step 1: Log in to the GST Portal

- Visit www.gst.gov.in and log in using your credentials.

Step 2: Navigate to GSTR-10 Form

- Go to Services → Returns → Final Return (GSTR-10).

Step 3: Enter Required Details

- Fill in details such as:
 - ◆ GSTIN (GST Identification Number).
 - ◆ Effective cancellation date.
 - ◆ Stock held on the cancellation date (if any).

Step 4: Compute Tax Liability on Stock

- If there is remaining stock (inputs, capital goods, or finished goods), GST must be paid on it.
- Tax is calculated based on input tax credit (ITC) reversal or applicable tax rates.

Step 5: Pay Outstanding GST Dues

- If any tax is due, pay it through GST cash ledger or ITC balance.

Step 6: Submit & Verify

- File the return using Digital Signature Certificate (DSC) or Electronic Verification Code (EVC).

✦ After successful filing, download the acknowledgment for records.

Penalty for Late Filing of GSTR-10

📌 Late filing attracts heavy penalties!

- Late Fee: ₹200 per day (₹100 CGST + ₹100 SGST) until the return is filed.
- Maximum Penalty: ₹10,000 (fixed penalty for non-filing).
- Legal Consequences: If GSTR-10 is not filed, a show cause notice (SCN) is issued under GST laws.

Common Mistakes to Avoid

- ✗ Delaying GSTR-10 filing, leading to penalties.
- ✗ Not declaring closing stock, which can cause tax disputes.

- ✗ Ignoring tax liability on stock, resulting in additional dues.
- ✗ Missing show cause notices, leading to legal action.

Conclusion

Filing GSTR-10 is mandatory for businesses whose GST registration is canceled. It helps in closing tax obligations properly and avoiding future penalties. Make sure to file within 3 months and declare stock correctly to ensure compliance.

Need Help with GSTR-10 Filing?

Our **GST experts** can assist you in filing GSTR-10 smoothly and ensuring tax compliance.

Contact us today! 📞